<u>REMARKS</u>

This application has been reviewed in light of the Office Action dated September 7, 2005. Claims 1-4, 6-15 and 17-18 are pending in the application. No new matter has been added. The Examiner's reconsideration of the rejection in view of the amendment and the following remarks is respectfully requested.

By the Office Action, claims 1-18 stand rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,240,513 to Friedman et al. (hereinafter Friedman) in view of U.S. Patent No. 6,370,396 to Meiksin et al.

The Applicant respectfully disagrees with the rejection and the rationale provided by the Examiner in the Office Action. It is also noted that the Examiner has failed to consider the amendments and arguments previously submitted and has merely reproduced the earlier response. This is apparent by the lack of recognition that the pending claims are claims 1-4, 6-15 and 17-18 and not 1-18. In addition, the form paragraph for the final action appears on the signature page despite the non-final check off box being selected.

Due consideration of the amendments and arguments is respectfully requested. By the previous amendment and arguments, it is respectfully submitted that the present case is in condition for allowance for at least the reasons set forth below. In addition, the Examiner is respectfully requested to particularly point out the places in the prior art references on which the Examiner is relying to demonstrate the elements of the claims.

As previously set forth, the present invention provides a private key, which is received in isolation of the network (powerline network) and is transmitted <u>individually</u> to each of a plurality of modern devices. A separate portable device is employed to individually connect to each device in a powerline modern system. This portable device connects to the device only and downloads or programs a private key to that device. Claim 1 sets forth these aspects of the present invention.

For example, claim 1 recites, inter alia, transmitting a private key individually to each of the plurality of powerline modem devices to be secured in a network such that each powerline modem device receives the private key in isolation of the network by connecting each of the plurality of the powerline modem devices to a portable security device which transmits the private key directly to the powerline modem device in isolation from other powerline modem devices, each of the plurality of powerline modem devices store the private key.

A portable security device is carried to each powerline modem device to download a private key individually to that device. This is a communication between the portable security device and the powerline modem device and is made in isolation of other devices and is not carried over the network to which the powerline modem is connected.

The combination of Friedman and Meiksin fail to disclose or suggest at least this claimed subject matter.

Taking the references initially one at a time, Friedman is directed to a system that provides a security system for online communications over a telephone network. As the Examiner states, Friedman does not mention a powerline network. In addition, the system of

Friedman provides four keys: 1) static private key, 2) dynamic private key, 3) static public key, and 4) dynamic public key. The static keys are unique to each device and are therefore not transmitted individually to each of the plurality of powerline modem devices to be secured in a network such that each powerline modem device receives the private key in isolation of the network. Each device has its own permanent private key, which is unique to each of the devices. The more devices, the more private keys are needed. Contrast this with the present invention which uses the same private key for all the devices in the network.

In Friedman, the same private key is not provided to a plurality of devices, it is only known to that individual device (col. 10 lines 12-14 in Friedman). Further, the private keys in Friedman are calculated from information transmitted over the telephone network (not in isolation of the network). See Friedman FIGS. 4A and 4B which shows a static memory 412 and dynamic memory 416 for storing the information related to the private key and public key for a given device. The seed for the private key is determined from the information stored in these databases (412 and 416, see Friedman FIG. 5 and, col. 10, lines 26-end).

In addition, the public keys (not private keys) are exchanged between two network security devices and are therefore also transmitted over the network. These public keys are used to calculate a secret key which is then, no longer transmitted.

Meiksin fails to cure the deficiencies of Friedman. Meiksin is focused mainly on providing facility-wide communications mostly using RF transmissions, and appears to have been cited only to provide a powerline modern network.

The cited combination does not disclose or suggest a portable security device which loads a same private key to the powerline modern devices. The Examiner has not shown in his rejection or arguments where this feature is disclosed or suggested. Instead, the Examiner merely insists that the elements are shown and that the invention is rendered obvious by the cited combination of references. This is improper.

In addition, it appears that there is a misunderstanding of how the present invention works. Nowhere in the cited combination is the step of transmitting a private key individually to each of the plurality of powerline modem devices to be secured in a network such that each powerline modem device receives the private key in isolation of the network by connecting each of the plurality of the powerline modem devices to a portable security device which transmits the private key directly to the powerline modem device in isolation from other powerline modem devices, each of the plurality of powerline modem devices store the private key.

The cited combination fails to disclose suggest at least: 1) transmitting a private key individually to each of the plurality of powerline modern devices to be secured in a network; 2) each powerline modern device receives the private key in isolation of the network; and 3) connecting each of the plurality of the powerline modern devices to a portable security device which transmits the private key directly to the powerline modern device in isolation from other powerline modern devices.

The Examiner stated in the present Office Action and the previous Final Office

Action that the cited combination is sufficient to show the claimed subject matter of claims 1 and

12. This is incorrect. The present invention uses a portable security device as shown in FIG. 1 of the application to connect directly with powerline modern devices to program these devices with the private key. Each device in a given network receives the <u>same</u> private key from the portable security device.

A powerline network set up, for example, in someone's home would have a user with a portable security device, connect to each powerline modem device in the home and load the same private key to each of the powerline modem devices. The portable security device is neither disclosed nor suggested by the cited combination. The Examiner is respectfully requested to review FIG. 1, the accompanying text in the specification and the claim language of amended claims 1 and 12.

Furthermore, claim 12, as amended includes, inter alia, providing a security device capable of storing and transmitting a private key to a powerline modern device, connecting the security device to each powerline modern device to be secured in a network, and transmitting a private key individually to each of the plurality of powerline modern devices to be secured in the network such that each powerline modern device receives the private key in isolation of the network and proving an actual connection between the security device and the powerline modern device exists, each of the plurality of powerline modern devices store the private key.

No step of providing a security device capable of storing and transmitting a private key to a powerline modern device has been disclosed or suggested by the cited combination. In addition, claim 12 recites the step of proving an actual connection between the

security device and the powerline modern device exists before storing the private key (from claim 16). In addition to the above deficiencies of the cited combination, the cited combination also fails to disclose or suggest the step of proving as set forth above.

Therefore, it is clear that the cited combination fails to disclose or suggest the subject matter of claims 1 and 12 as set forth above. It is strongly suggested that the present claims are in condition for allowance over the art of record and that the present case be permitted to issue. It is further submitted that the cited combination taken as a whole does not render the presently claimed invention obvious for at least the reasons stated. Reconsideration of the rejection is earnestly solicited.

In view of the foregoing amendments and remarks, it is respectfully submitted that all the claims now pending in the application are in condition for allowance. Early and favorable reconsideration of the case is respectfully requested.

It is believed that no additional fees or charges are currently duc. However, in the event that any additional fees or charges are required at this time in connection with the application, they may be charged to applicant's representatives Deposit Account No. 07-0832.

Respectfully submitted.

LOUIS ROBERT LITWIN, IR., ET AL.

Joseph J. Kolodka

Registration No 39,73

Mailing Address:

Thomson Licensing Inc. 2 Independence Way, Suite 200 P.O. Box 5312 Princeton, NJ 08543-5312

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